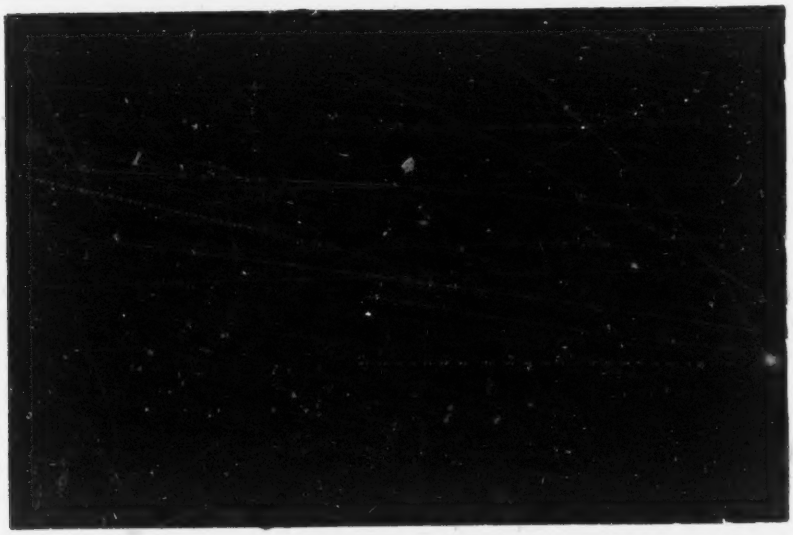
Surveys of Consumer Attitudes



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CHANGES IN CREDIT CARD USE DURING 1978

by

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From 1946 until 1970, the Survey Research Center, with the support of the Federal Reserve Board, conducted an annual Survey of Consumer Finances (SCF). These surveys were updated and enlarged with the 1977 Survey of Consumer Credit (SCC), jointly funded by the Board, the FDIC and the Comptroller of the Currency. The 1977 Survey of Consumer Finances adds to the rich source of cross-sectional data on the distribution of assets, debts, durable goods and financial transactions among American families. This national survey consisted of 2,563 respondents personally interviewed during August 1977.

The 1978 data on credit cards was collected in two national telephone surveys conducted in August and November, 1978. The surveys included 1,559 families reinterviewed in 1978 after having participated in the 1977 SCF and 1,085 families who were interviewed for the first time in 1978.

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CHANGES IN CREDIT CARD USE DURING 1978

Highlights

The role of credit cards in the family budget continued to grow during 1978. In contrast to the increased number of families using more accounts between 1970 and 1977, the growth during 1978 was due to more intensive use of credit cards. American families in 1978 used the credit card debt feature more than in previous years.

-- General attitudes toward credit card use in 1978 were less favorable than in 1977, although still more favorable than in 1970 (Table 1).

-- The proportion of all families using credit cards in 1978 remained at the 1977 level of six-in-ten families. Younger families experienced a slight increase in credit card use.

-- The use of most types of credit cards remained relatively unchanged between 1977 and 1978. The one exception was the use of bank credit cards, which continued its upward trend since 1970. Thirty-nine percent of all families used bank credit cards in 1978, up from 35 percent in 1977 and 16 percent in 1970 (Table 2).

-- The average outstanding balance owed increased 14 percent over the 1977 level to $500 in 1978. In comparison, the average amount charged in the previous month rose eight percent, comparable with the rate of consumer price increases, to $258 in 1978 (Table 2).

-- The proportion of monthly income owed by families with outstanding credit card balances increased from an average 34 percent in 1977 to 41 percent in 1978. The average amount charged as a proportion of monthly income rose from 15 percent in 1977 to 18 percent in 1978. The largest increases occurred among moderate income and middle-aged families (Table 10).

-- The increased use of the debt feature of credit cards continued in 1978. For the first time, families, on average, owed more than they had charged in the previous month (Table 13).

Introduction

This report updates to 1978 the information reported for 1977 in "Credit Card Use Among American Households."[1] Large changes in credit card use are not expected in year-to-year measures of change. Continuation of significant trends, however, can be measured, although small changes may only represent temporary fluctuations or sampling variance.

Attitudes Toward Credit Cards

Attitudes toward credit cards in 1978 were less favorable than in 1977. The proportion of respondents who held favorable attitudes toward the use of credit cards declined by eight percentage points in the 1978 survey from the 1977 level, while those reporting unfavorable attitudes toward credit cards increased by nine percentage-points. Favorable attitudes were still more frequent in 1978 (one-in-two families) than in 1970 (one-in-three families) (Table 1).

General Credit Card Use

The proportion of American families that used credit cards in 1978 remained unchanged from the 1977 level of sixty percent. Those families that reported using credit cards in 1978 were somewhat more likely than in 1977 to have used their credit card within the last month (77 percent) and to have outstanding balances owed (57 percent) than previously. The greater use made of credit cards was not reflected in an increase in the number of credit card accounts held. The average number of accounts held remained unchanged at 5.2 accounts (Tables 2, 3 and 4).

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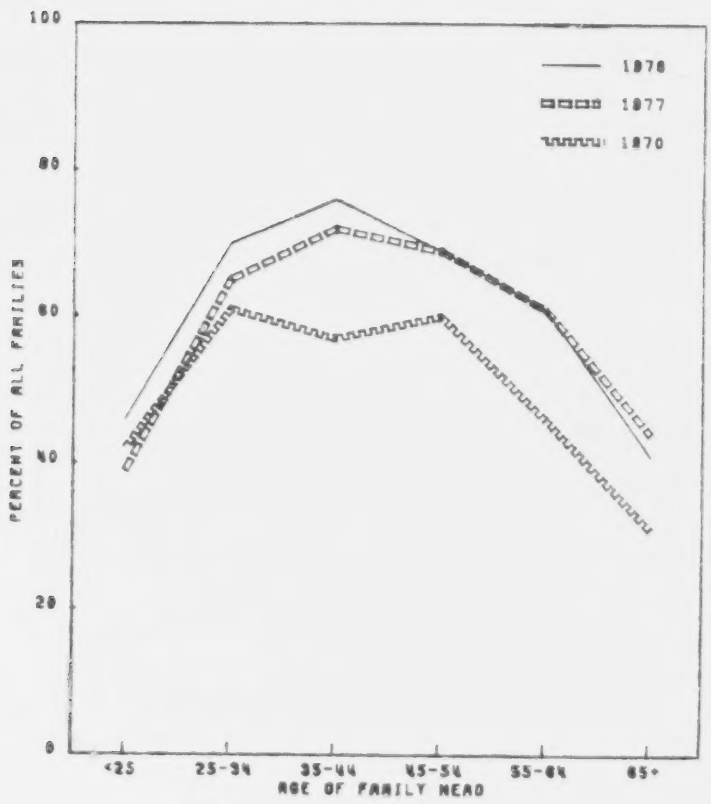
[1] 1977 Survey of Consumer Finances Working Paper #6.

The lack of overall change in the use of credit cards combines changes among demographic groups and types of credit cards. Among age groups, family heads younger than 45 were more likely to use credit cards in 1978, as shown in the chart below. In 1978 these young families were also more likely to make charges and have outstanding debt than in 1977. No significant pattern of change in credit card use occurred among income groups (Table 5).

CHART 1

USE OF CREDIT CARDS - 1970 1977 AND 1978



Types of Credit Cards Used

Bank cards were the only card type which experienced a significant increase in use during 1978. Bank credit card use has continued to grow rapidly, rising from 35 percent in 1977 to 39 percent in 1978. The use of other types of credit cards has remained relatively unchanged from 1977 to 1978. Half of all families used store credit cards, one-in-three used gasoline credit cards, and one-in-ten used other credit cards in 1978.

Store Credit Cards

The use of store credit cards in 1978 remained at its 1977 level. Half of all families reported using store cards at least occasionally, while over one-quarter reported using a store card within the past month. One-quarter of all families also owed outstanding balances on store credit cards. The average amounts charged and owed on store credit cards declined slightly in real terms in 1978 from their 1977 level of $120 charged in the previous month and $310 owed in outstanding balances (Table 6).

Additional information on the type of store credit cards used was reported in 1978. Seven-eights of store credit-card owners used a national store card, such as Penney's or Sears, while four-in-ten used local store credit cards.

Twice as many families used national store credit cards as local store credit cards. Local store card use was nearly constant across age, while middle-aged respondents were most likely to have national store cards (see Charts 2 and 3). Average charges were $20 larger on national store cards than on local store cards. National store credit cards also had larger balances than local store credit cards--$280 compared with $155 (Table 7).

CHART 2

USE OF NATIONAL AND LOCAL STORE CREDIT CARDS - 1978

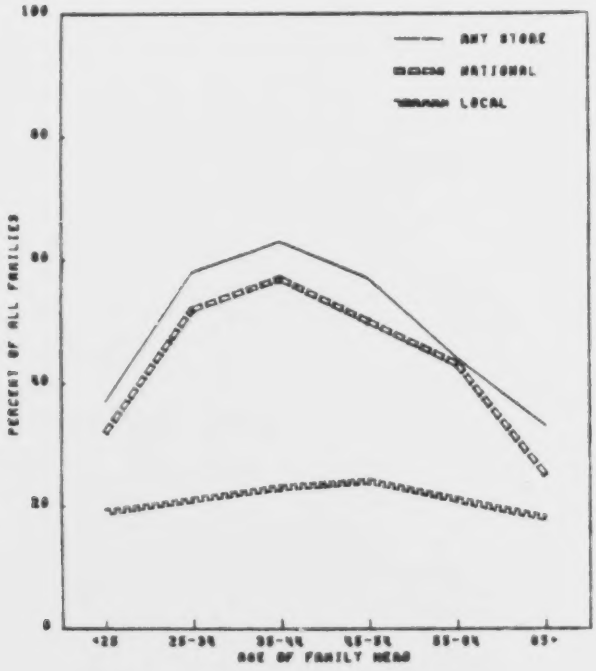
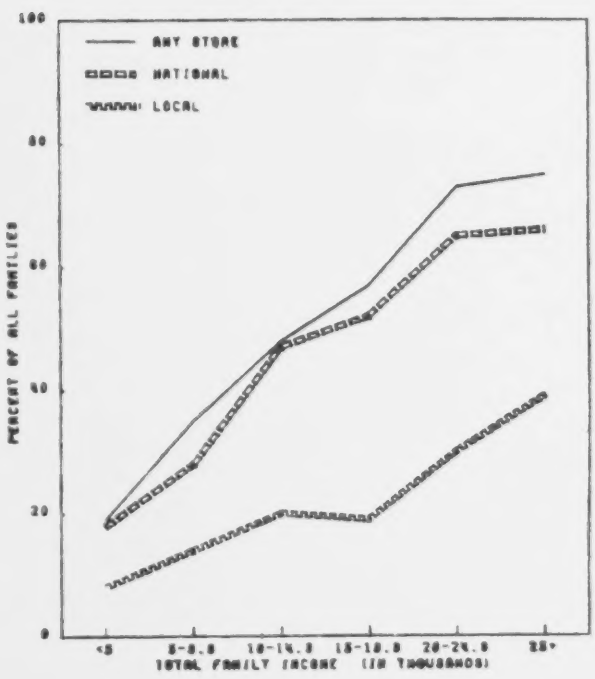


CHART 3

USE OF NATIONAL AND LOCAL STORE CREDIT CARDS BY INCOME - 1978



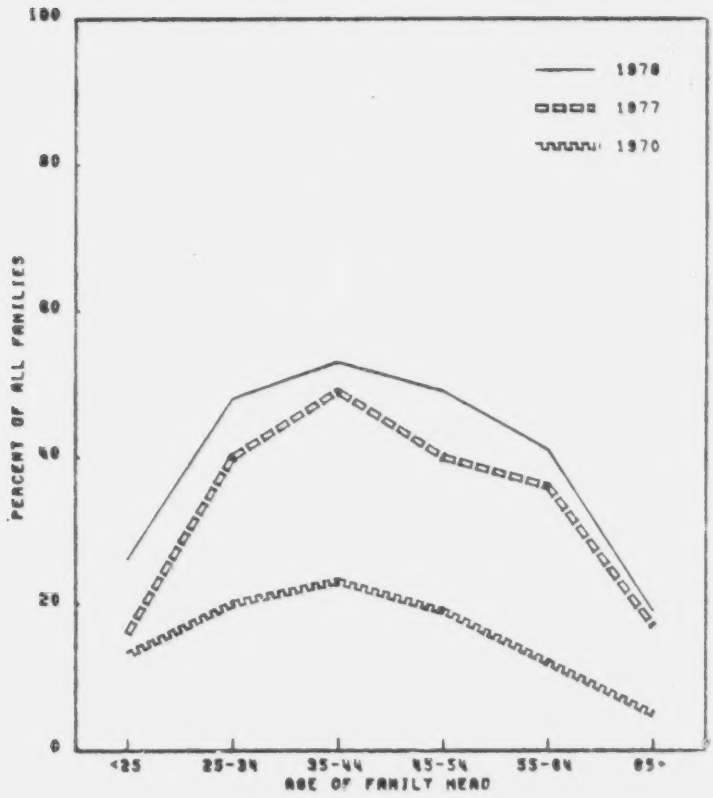
Bank Credit Cards

Bank credit card use continued its rapid growth during 1978. Thirty-nine percent of all families used bank credit cards in 1978, up from 35 percent in 1977 and 16 percent in 1970. The increase in bank credit card use occurred across all income and age groups. The average number of bank card accounts owed continued its upward trend from 1.2 accounts in 1970 to 1.4 in 1977 and 1.5 in 1978.

The percent of all families making charges on bank credit cards within the previous month rose from 22 percent in 1977 to 26 percent in 1978. The average amount charged rose slightly faster than the rate of inflation from $178 to $194 between 1977 and 1978.

CHART 4

USE OF BANK CREDIT CARDS - 1970 1977 AND 1978



More families had credit card debt on bank credit cards in 1978. Nineteen percent of all families had outstanding bank credit card balances in 1978, up from 16 percent in 1977. In that same period, the average outstanding balance increased 25 percent from $330 to $415. The largest increases in outstanding balances were among high-income and middle-aged heads (Table 8).

Gasoline Credit Cards

Despite large increases in gasoline prices, the use of gasoline credit cards, the average charged and balance owed, did not increase but rather fell slightly. Although gasoline credit card use fell slightly among all families, it increased among young respondents. Gasoline credit card debt also increased among the youngest respondents (Table 9).

Proportion of Monthly Income Represented by Credit Card Charges and Balances

The use of credit cards--amount charged and balance owed--increased relative to families' monthly income between 1977 and 1978. Families that used credit cards within the previous month charged an amount equivalent to 18% of their monthly income, up from 15% in 1977 and 9% in 1970. The largest increases in the share of monthly income charged occurred among heads 45 years or older, as shown in the chart below.

CHART 5

PERCENT OF MONTHLY INCOME CHARGED ON CREDIT CARDS BY AGE

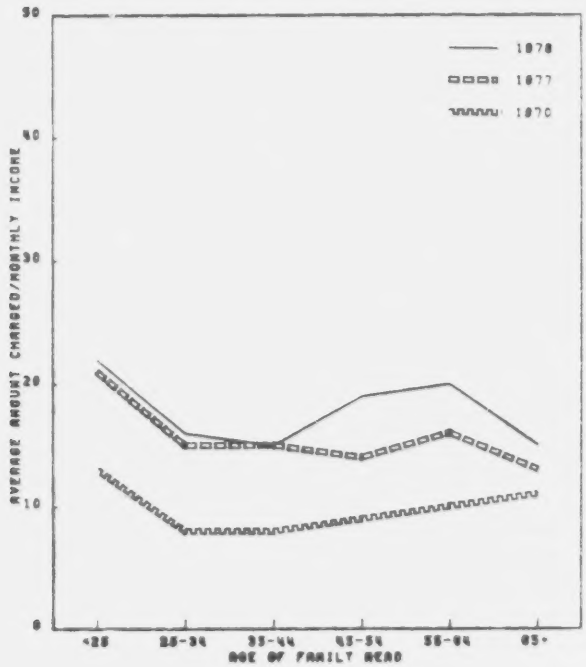


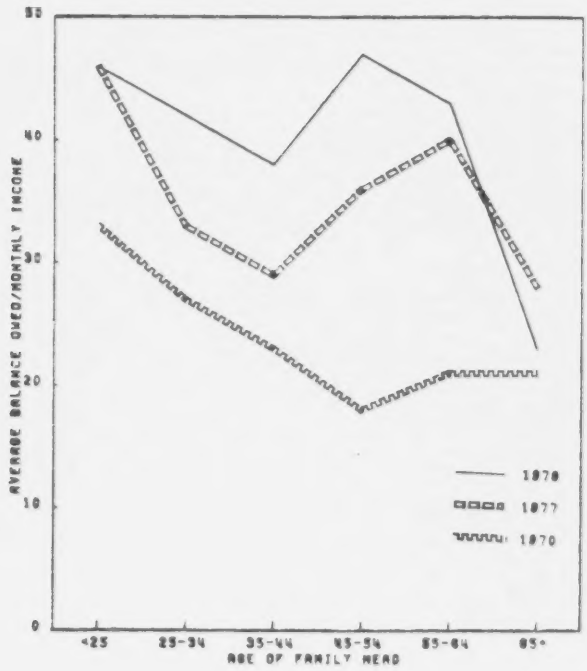
Table 11 shows the distribution of families who used credit cards by the proportion of monthly income charged in the previous month. The proportion of credit card users who charged less than 10% of their monthly income has fallen from 73 percent in 1970, to 62 percent in 1977, and

32 percent in 1978. Twenty percent of families making credit card purchases in 1978 charged 30% or more of their monthly income, up from just 10 percent in 1977.

Families that had outstanding balances on credit cards owed on average 41% of their monthly income in 1978, up from 34% in 1977 and 24% in 1970. The increase occurred primarily among heads age 25 to 54 (see Chart 6).

CHART 6

PERCENT OF MONTHLY INCOME OWED ON CREDIT CARDS BY AGE



Among families with outstanding balances, one-quarter of the families owed over half of their monthly income in 1978. This proportion of families increased from 13 percent in 1970 to 20 percent in 1977 and 26 percent in 1978 (Table 11). This increase occurred at the same time

that the proportion of families owing credit card debt increased to 34 percent of all families in 1978, from 22 percent in 1970.

Debt-Transaction Uses of Credit Cards in 1978

Credit cards have become an integral part of American households' budgets because they are substitutes for conventional financial instruments. Credit cards are used to facilitate transactions, replacing the traditional means of exchange through cash or checking accounts. Credit cards can also be used to borrow money, substituting for conventional installment loans. In the past, families used credit cards more for transaction purposes than for debt purposes. Half of all families using bank or store credit cards in 1977 repaid their balances in full within thirty days of billing and nearly one-quarter sometimes paid the full amount. An index number, the debt-transaction figure, summarizes the relative use of credit cards for debt and transaction purposes (see Working Paper #6).[2]

Credit card-using families in 1978 were using the debt features of their credit cards more than ever before. For the first time, the average credit-card using family was using credit cards more for debt purposes than for transaction purposes. In the past, the average family charged more in the previous month than it owed. In 1978 the average credit-card using family owed more than it charged in the previous month.

The relative use of debt compared with transactions increased among bank, gasoline and general purpose credit card users. Only store

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[2] In order to determine which type of response was dominant for different groups of credit users, a debt/transaction figure was calculated as follows:

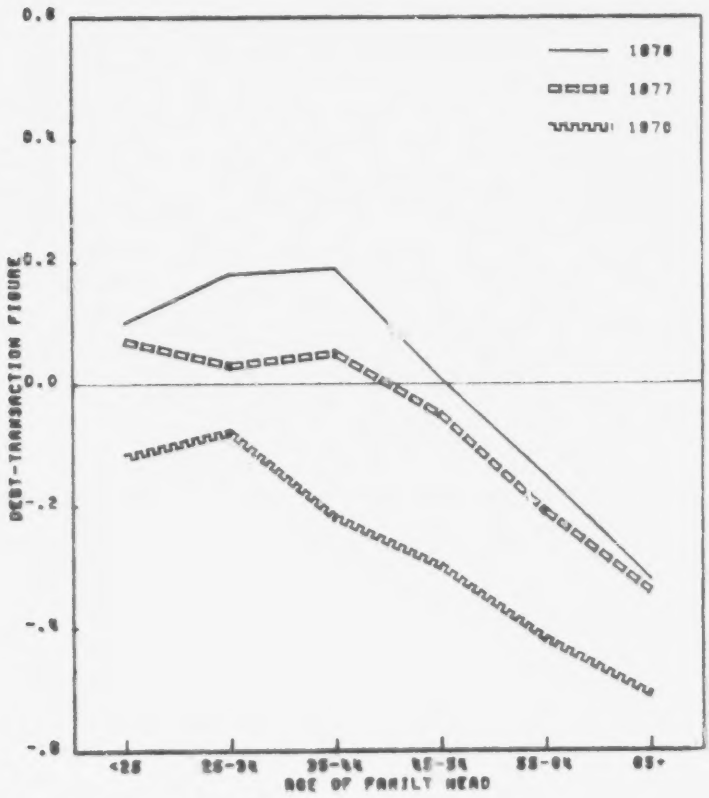
$$\text{Debt/Transaction Figure} = D/T = \frac{(\text{Balance owed} - \text{amount charged in previous month})}{(\text{Balance owed} + \text{amount charged in previous month})}$$

credit card users did not increase their use of debt relative to transactions. National store credit cards, however, were used more often for debt purposes than local store credit cards (Table 12).

The increased use of debt relative to transactions occurred among all age groups, as shown in Chart 7. The largest increase occurred among heads younger than 45. These families were more likely to use credit cards for debt purposes rather than transaction purposes in 1977. This tendency increased during 1978. Heads age 45 or older were still using credit cards primarily for transaction purposes (Table 13).

CHART 7

AVERAGE DEBT-TRANSACTION FIGURE BY AGE - 1976 1977 AND 1978



Discussion

During 1978, credit card-using families made greater use of these financial instruments. More families became bank credit-card users and held more bank credit-card accounts. This was particularly true of younger families. Credit-card using families increased the proportion of their monthly income which they use to charge purchases on credit cards. They also increased the proportion of monthly income owed in outstanding balances on credit cards.

The extent to which families are utilizing credit card debt, particularly bank credit card debt, has increased quite sharply for a one-year period. This change, however, cannot be viewed in isolation, but must be taken in relation to the household's total financial position. Credit card debt remains a small fraction of total consumer debt. Bank credit card and revolving credit accounted for less than 15 percent of total consumer nonmortgage, nonautomobile debt. Between August 1977 and July 1978, charge accounts increased from 12.2 percent to 13.2 percent of total consumer nonmortgage, nonautombile debt.[3]

The substitution of credit card debt for installment debt may explain part of the growth of credit card debt. The total amount of this substitution at the household level, however, cannot be determined from this data. The increase in credit card indebtedness relative to total family income is not by itself a sign of a greater debt burden on households. (See Working Paper #5 for an evaluation of households' financial positions in 1977.)

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[3] Survey of Current Business, September, 1978.

TABLE 1

ATTITUDES TOWARD CREDIT CARD USE, 1970, 1977, AND 1978
(Percentage distribution of all respondents)

Year	Good	Good With Qualifications	Pro-con	Bad With Qualifications	Bad	DK/NA	Total
1970	26%	12%	12%	4%	41%	5%	100%
1977	38	19	11	4	27	1	100%
1978	34	15	8	3	35	5	100%

Source: 1978 SCF, Table H-1.

TABLE 2

REPORTED USE AND NUMBER OF CREDIT CARDS BY TYPE OF CARD, 1970, 1977, AND 1978

Type of Card	Percent of all Families Reporting Use of Credit Cards[a]			Average Number of Accounts[b]		
	1970	1977	1978	1970	1977	1978
All credit cards	50%	60%	60%	4.3	5.2	5.2
Store credit cards	35	50	49	2.6	3.1	3.0
Local store credit cards	NA	NA	21[c]	NA	NA	2.4[c]
National store credit cards	NA	NA	43	NA	NA	2.3
Bank credit cards	16	35	39	1.2	1.4	1.5
Gasoline credit cards	34	31	31	2.3	2.4	2.3
General purpose credit cards	9	7	7	1.7	1.6	1.2
Other credit cards	NA	4	3	NA	1.9	1.7

NA = not ascertained.

[a] In 1970, respondents were asked if they used credit cards. In 1977, respondents were asked what types of credit cards they had and how often they used them. Families that had cards but reported "never" using them were excluded from reported users.

[c] The sum of local and national store credit cards exceeds the figure for all store cards because some families have both local and national store credit cards.

Source: 1978 SCF, Table H-2.

TABLE 3

MONTHLY AMOUNT CHARGED BY TYPE OF CREDIT CARD, 1970, 1977, AND 1978

Type of Card	Percent of All Families Charging Within the Last Month			Average Amount Charged Within the Last Month[a]		
	1970	1977	1978	1970	1977	1978
All credit cards	38%	45%	46%	$89	$239	$258
Store credit cards	21	27	29	74	121	124
Local store credit cards	NA	NA	11[b]	NA	NA	92[b]
National store credit cards	NA	NA	22	NA	NA	112
Bank credit cards	7	22	26	77	178	194
Gasoline credit cards	28	24	23	35	72	61
General purpose credit cards	4	4	4	101	368	258

NA = not ascertained.

[a]Includes only those families who charged within the previous month.

[b]The sum of local and national store credit cards exceeds the figure for all store cards because some families have both local and national store credit cards.

Source: 1978 SCF, Table H-3.

TABLE 4

OUTSTANDING BALANCE OWED BY TYPE OF CREDIT CARD, 1970, 1977, AND 1978

Type of Card	Percent of All Families With Outstanding Balance Owed			Average Amount Outstanding Balance[a]		
	1970	1977	1978	1970	1977	1978
All credit cards	22%	33%	34%	$204	$438	$500
Store credit cards	15	24	24	161	308	284
Local store credit cards	NA	NA	8[b]	NA	NA	156[b]
National store credit cards	NA	NA	20	NA	NA	278
Bank credit cards	6	16	19	200	330	415
Gasoline credit cards	6	7	6	55	106	104
General purpose credit cards	2	1	1	199	490	305

NA = not ascertained.

[a]Includes only those families with an outstanding balance owed.

[b]The sum of local and national store credit cards exceeds the fiture for all store cards because some families have both local and national store credit cards.

Source: 1978 SCF, Table H-4.

TABLE 5

USE, CHARGES, AND BALANCES OF ALL CREDIT CARDS BY INCOME AND AGE -- 1977 & 1978

	Percent of All Families...						Average Amount[a]			
	Who Used Any Credit Cards		Who Charged Last Month		With Outstanding Balance		Charged Last Month		Outstanding Balance	
	1977	1978	1977	1978	1977	1978	1977	1978	1977	1978
All families	60%	60%	45%	46%	33%	34%	$239	$258	$438	$500
Family Income										
Less than $5,000	23	23	13	14	11	14	96	111	211	229
$5,000-9,999	41	44	27	30	22	22	148	132	350	331
$10,000-14,999	63	61	44	47	38	35	130	161	343	463
$15,000-19,999	73	69	54	52	48	44	191	240	478	631
$20,000-24 999	82	83	71	65	54	55	194	242	552	561
$25,000 or more	90	89	77	78	46	47	435	463	548	636
Age of Respondent										
Younger than 25	39	46	28	44	25	36	203	196	423	411
25-34	65	70	51	55	42	45	207	245	432	565
35-44	72	76	57	61	48	51	292	318	447	580
45-54	69	69	55	51	40	39	292	321	565	620
55-64	61	60	43	44	27	29	247	307	363	373
65 or older	44	41	29	28	12	13	142	135	234	185

[a]Families who made charges last month; families who had outstanding balances.

Source: 1978 SCF, Table H-5.

TABLE 6

USE, CHARGES, AND BALANCES OF STORE CREDIT CARDS BY INCOME AND AGE -- 1977 AND 1978

	Percent of All Families...						Average Amount[a]			
	Who Used Any Credit Cards		Who Charged Last Month		With Outstanding Balance		Charged Last Month		Outstanding Balance	
	1977	1978	1977	1978	1977	1978	1977	1978	1977	1978
All families	50%	49%	27%	29%	24%	24%	$121	$124	$308	$284
Family Income										
Less than $5,000	17	19	8	10	8	10	92	58	132	89
$5,000-9,999	34	35	17	18	18	16	93	97	235	233
$10,000-14,999	50	48	26	28	29	26	77	88	257	274
$15,000-19,999	61	57	32	30	35	31	133	130	357	366
$20,000-24,999	73	73	45	41	42	42	92	103	416	312
$25,000 or more	77	75	50	53	31	33	172	181	342	302
Age of Respondent										
Younger than 25	29	37	18	26	22	26	92	110	292	332
25-34	54	58	30	32	32	36	125	110	312	309
35-44	63	63	35	35	35	37	131	132	327	319
45-54	56	57	32	32	28	27	109	136	388	289
55-64	52	49	28	30	20	19	156	172	244	216
65 or older	34	33	19	20	8	8	84	77	143	124

[a]Families who made charges last month, families who had outstanding balances.

Source: 1978 SCF, Table H-6.

TABLE 7

USE, CHARGES, AND BALANCES OF STORE CREDIT CARDS--NATIONAL AND LOCAL
BY INCOME AND AGE -- 1978

	Percent of All Families...									Average Amount[a]					
	Who Used Store Credit Cards			Who Charged With Card Last Month			With Outstanding Balance			Charged Last Month			Outstanding Balance		
	Nat'l	Local	Combined[b]	Nat'l	Local	Combined[b]	Nat'l	Local	Combined[b]	Nat'l	Local	Combined[b]	Nat'l	Local	Combined[b]
All families	43%	21%	49%	22%	11%	29%	20%	8%	24%	$112	$92	$124	$278	$156	$284
Family Income															
Less than $5,000	18	8	19	7	4	10	8	2	10	50	53	58	95	69	89
$5,000-9,999	28	14	35	13	7	18	13	5	16	112	43	97	239	99	233
$10,000-14,999	47	20	48	21	11	28	21	8	26	88	51	88	280	166	274
$15,000-19,999	52	19	57	27	7	30	29	7	31	119	103	130	327	252	366
$20,000-24,999	65	30	73	32	14	41	33	14	42	97	73	103	317	160	312
$25,000 or more	66	39	75	40	26	53	27	13	33	145	141	181	300	139	302
Age of Respondent															
Younger than 25	32	19	37	22	10	26	22	11	26	113	41	110	316	138	332
25-34	52	21	58	26	11	32	31	11	36	104	74	110	298	171	309
35-44	57	23	63	29	13	35	31	11	37	122	90	132	322	156	319
45-54	50	24	57	25	13	32	23	8	27	121	93	136	266	192	289
55-64	43	21	44	24	11	30	15	5	19	132	173	172	232	110	216
65 or older	25	18	33	12	10	20	6	2	8	72	63	77	125	116	124

[a] Families who made charges last month, families who have outstanding balances.

[b] The sum of local and national store credit cards exceeds the figure for all store cards because some families have both local and national store credit cards.

Source: 1978 SCF, Table H-7.

TABLE 8

USE, CHARGES, AND BALANCES OF BANK CREDIT CARDS BY INCOME AND AGE -- 1977 AND 1978

	Percent of All Families...						Average Amount[a]			
	Who Used Bank Credit Cards		Who Charged With Card Last Month		With Outstanding Balance		Charged Last Month		Outstanding Balance	
	1977	1978	1977	1978	1977	1978	1977	1978	1977	1978
All families	35%	39%	22%	26%	16%	19%	$178	$194	$330	$415
Family Income										
Less than $5,000	6	10	2	5	3	7	144	107	370	304
$5,000-9,999	16	23	10	14	9	10	197	109	374	333
$10,000-14,999	28	33	16	22	14	19	136	182	339	380
$15,000-19,999	46	46	28	29	25	27	151	163	339	438
$20,000-24,999	56	59	35	39	29	31	159	146	298	407
$25,000 or more	68	71	51	51	26	32	216	271	359	504
Age of Respondent										
Younger than 25	16	26	11	23	9	20	275	212	411	392
25-34	40	48	27	33	21	27	156	191	315	435
35-44	49	53	32	35	23	31	176	198	304	464
45-54	40	49	27	30	21	25	209	227	385	473
55-64	36	41	21	27	12	16	177	170	299	320
65 or older	17	19	10	10	4	5	132	155	323	232

[a]Families who made charges last month, families who had outstanding balances.

Source: 1978 SCF, Table H-8.

TABLE 9

USE, CHARGES, AND BALANCES OF GAS CREDIT CARDS BY INCOME AND AGE -- 1977 AND 1978

	Percent of All Families...						Average Amount[a]			
	Who Used Gas Credit Cards		Who Charged With Card Last Month		With Outstanding Balance		Charged Last Month		Outstanding Balance	
	1977	1978	1977	1978	1977	1978	1977	1978	1977	1978
All families	31%	31%	29%	23%	7%	6%	$72	$61	$106	$104
Family Income										
Less than $5,000	10	7	6	5	2	2	30	44	43	62
$5,000-9,999	15	16	9	11	3	3	48	44	66	97
$10,000-14,999	28	31	21	24	7	8	74	45	88	90
$15,000-19,999	32	37	24	27	9	8	61	47	134	92
$20,000-24,999	50	43	40	32	13	11	70	61	143	114
$25,000 or more	63	59	51	49	11	9	90	83	113	137
Age of Respondent										
Younger than 25	12	21	9	18	5	8	46	48	67	107
25-34	31	35	24	28	10	8	68	56	108	101
35-44	42	43	32	35	7	10	78	80	108	162
45-54	39	42	31	29	6	9	94	74	139	104
55-64	34	29	26	21	6	5	65	58	86	57
65 or older	23	18	15	13	1	2	47	37	78	43

[a]Families who made charges last month, families who had outstanding balances.

Source: 1978 SCF, Table H-9.

TABLE 10

AMOUNT CHARGED AND BALANCE OWED AS A PERCENT OF MONTHLY INCOME BY INCOME AND AGE -- 1970, 1977 AND 1978

	Average Percent of Monthly Income Charged in the Previous Month[a]			Average Percent of Monthly Income Owed on Credit Card Balance[b]		
	1970	1977	1978	1970	1977	1978
All families	9%	15%	18%	24%	34%	41%
Total Family Income						
Less than $5,000	c	49	42	c	91	72
$5,000-9,999	c	21	21	c	54	54
$10,000-14,999	c	12	16	c	33	45
$15,000-19,999	c	13	17	c	33	43
$20,000-24,999	c	10	13	c	29	30
$25,000 or more	c	13	15	c	18	21
Age of Family Head						
Younger than 25	13	21	22	33	46	46
25-34	8	15	16	27	33	42
35-44	8	15	15	23	29	38
45-54	9	14	19	18	36	47
55-64	10	16	20	21	40	43
65 or older	11	13	15	21	28	23

[a] Includes only those families who made charges within the previous month.

[b] Includes only those families who had outstanding balances owed.

[c] Not available.

Source: 1978 SCF, Table H-15.

TABLE 11

DISTRIBUTION OF RATIO OF AMOUNT CHARGED AND BALANCE OWED TO MONTHLY INCOME AMONG CREDIT CARD USERS

	Amount Charged in Previous Month/Monthly Income[a]					
	Less than 10 percent	10-19 percent	20-29 percent	30-49 percent	50 percent or more	Total
1970	73%	17%	5%	3%	2%	100%
1977	62	19	9	5	5	100%
1978	52	21	8	11	8	100%

	Balance Owed/Monthly Income[b]					
	Less than 10 percent	10-19 percent	20-29 percent	30-49 percent	50 percent or more	Total
1970	42%	21%	12%	12%	13%	100%
1977	34	20	12	14	20	100%
1978	26	17	15	16	26	100%

[a]Of those families who made charges in the previous month.

[b]Of those families with outstanding credit card balances.

Source: 1978 SCF, Table H-14.

TABLE 12

AVERAGE DEBT-TRANSACTION[a] FIGURE FOR DIFFERENT TYPES OF CREDIT CARDS BY INCOME AND AGE -- 1978

	All Cards	Gas Cards	Bank Cards	General Purpose Cards	Store Cards		
					All	National	Local
All families	.01	-.54	-.03	-.41	.00	.05	-.12
Family Income							
Less than $5,000	.01	-.41	.23	-.44	-.03	.12	-.17
$5,000-9,999	-.02	-.41	-.06	-.42	.06	.11	-.09
$10,000-14,999	.04	-.51	.22	-.10	.08	.09	-.12
$15,000-19,999	.15	-.46	.11	-.21	.24	.18	.12
$20,000-24,999	.12	-.51	.01	-.46	.13	.12	.06
$25,000 or more	-.13	-.67	-.15	-.48	-.30	-.14	-.32
Age of Respondent							
Younger than 25	.10	-.38	-.06	-.25	.17	.13	.11
25-34	.18	-.55	.07	-.32	.30	.25	.10
35-44	.19	-.57	.10	-.51	.24	.18	.00
45-54	.01	-.46	.02	-.37	-.01	.05	-.18
55-64	-.15	-.59	-.20	-.54	-.31	-.17	-.25
65 or older	-.32	-.63	-.27	-.46	-.60	-.21	-.41

[a] Debt/Transaction Figure = $\frac{\text{(Balance owed - amount charged in the previous month)}}{\text{(Balance owed + amount charged in the previous month)}}$

The debt/transaction (D/T) figure is -1 if the family made charges in the previous month but has no outstanding balance. The D/T figure is +1 if the family made no charges in the previous month but carried over an outstanding balance from earlier months. Negative D/T figures show greater transaction use relative debt use of the credit card, and vice-versa for a positive D/T figure.

Source: 1978 SCF, Table H-12.

TABLE 13

AVERAGE DEBT-TRANSACTION FIGURE[a] FOR DIFFERENT TYPES OF CREDIT CARDS -- 1970, 1977 AND 1978

Type of Credit Cards	Average Debt/Transaction Figure 1970	1977	1978
All credit cards	-0.26	-0.07	+0.01
Store credit cards	-0.08	+0.05	0.00
Local store credit cards	NA	NA	-0.12
National store credit cards	NA	NA	+0.05
Bank cards	-0.02	-0.12	-0.03
Gasoline cards	-0.64	-0.68	-0.54
General purpose cards	-0.18	-0.64	-0.41

[a]See Table 12 for explanation of the debt-transaction figure.

NA=not ascertained.

Source: 1978 SCF, Table H-13.